From:

Mike Thompson [MThompson@dnr.state.ne.us]

Sent:

Tuesday, October 26, 2004 8:41 AM

To:

Susan France; Ann Bleed; Ann Diers; Brad Edgerton; Roger Patterson

Subject:

RE: Sauvage

It is my understanding that the place of use is in Kansas. Do we have any maps of the operation in question?

Mike

----Original Message----

From: Susan France [mailto:sfrance@dnr.state.ne.us]

Sent: Tuesday, October 26, 2004 7:04 AM

To: Ann Bleed; Mike Thompson; Ann Diers; Brad Edgerton; Roger Patterson

Subject: RE: Sauvage

If it is place of use, wouldn't it be in Kansas? Or is it place of diversion? This is for stock watering of a cattle feeding operation. Middle Republican signed off on it a long time ago, but we haven't talked to them about it since the moratoriums, etc. Is that all I need to know before I call Scott back?

----Original Message----

From: Ann Bleed [mailto:ableed@dnr.state.ne.us]

Sent: Monday, October 25, 2004 7:10 PM

To: Susan France; Mike Thompson; Ann Diers; Brad Edgerton; Roger Patterson

Subject: Re: Sauvage

In the settlement the use of the water is charged where the water is used. This would mean the uses in Nebraska would be charged to Nebraska. This would affect the cu of the state and would also affect the NRD. If I remember correctly the acreage involved is very small, but this would set a precedent. Ann

---- Original Message -----

From: "Susan France" <sfrance@dnr.state.ne.us>
To: "Mike Thompson" <mthompson@dnr.state.ne.us>; "Ann Bleed" <ableed@dnr.state.ne.us>; "Ann Diers" <adiers@dnr.state.ne.us>; "Brad Edgerton" <ndwrcamb@swnebr.net>; "Roger

Patterson" <rpatterson@dnr.state.ne.us> Sent: Monday, October 25, 2004 1:07 PM

Subject: Sauvage

- > Have a phone message from Scott Ross of Kansas concerning Sauvage transfer.
- > Kansas went out and surveyed the location of the wells because they thought
- > they were in Kansas. No such luck. Scott wants to talk to us about

- > would appreciate someone on the line with me who knows where we want
- > to go with this as it relates to the settlement. Who should be
- > involved.

1

From:

Susan France [sfrance@dnr.state.ne.us]

Sent:

Tuesday, October 26, 2004 6:04 AM

To:

Ann Bleed; Mike Thompson; Ann Diers; Brad Edgerton; Roger Patterson

Subject:

RE: Sauvage

If it is place of use, wouldn't it be in Kansas? Or is it place of diversion? This is for stock watering of a cattle feeding operation. Middle Republican signed off on it a long time ago, but we haven't talked to them about it since the moratoriums, etc. Is that all I need to know before I call Scott back?

----Original Message----

From: Ann Bleed [mailto:ableed@dnr.state.ne.us]

Sent: Monday, October 25, 2004 7:10 PM

To: Susan France; Mike Thompson; Ann Diers; Brad Edgerton; Roger Patterson

Subject: Re: Sauvage

In the settlement the use of the water is charged where the water is used. This would mean the uses in Nebraska would be charged to Nebraska. This would affect the cu of the state and would also affect the NRD. If I remember correctly the acreage involved is very small, but this would set a precedent. Ann

---- Original Message -----

From: "Susan France" <sfrance@dnr.state.ne.us>

To: "Mike Thompson" <mthompson@dnr.state.ne.us>; "Ann Bleed" <ableed@dnr.state.ne.us>; "Ann Diers" <adiers@dnr.state.ne.us>; "Brad Edgerton" <ndwrcamb@swnebr.net>; "Roger Patterson" <rpatterson@dnr.state.ne.us>

Sent: Monday, October 25, 2004 1:07 PM

Subject: Sauvage

- > Have a phone message from Scott Ross of Kansas concerning Sauvage transfer.
- > Kansas went out and surveyed the location of the wells because they thought
- > they were in Kansas. No such luck. Scott wants to talk to us about

Т

- > would appreciate someone on the line with me who knows where we want
- > to go with this as it relates to the settlement. Who should be
- > involved.

1

From:

Ann Bleed [ableed@dnr.state.ne.us]

Sent:

Monday, October 25, 2004 6:10 PM

To:

Susan France; Mike Thompson; Ann Diers; Brad Edgerton; Roger Patterson

Subject:

Re: Sauvage

In the settlement the use of the water is charged where the water is used. This would mean the uses in Nebraska would be charged to Nebraska. This would affect the cu of the state and would also affect the NRD. If I remember correctly the acreage involved is very small, but this would set a precedent. Ann

---- Original Message ----

From: "Susan France" <sfrance@dnr.state.ne.us>

To: "Mike Thompson" <mthompson@dnr.state.ne.us>; "Ann Bleed" <ableed@dnr.state.ne.us>; "Ann Diers" <adiers@dnr.state.ne.us>; "Brad Edgerton" <ndwrcamb@swnebr.net>; "Roger

Patterson" <rpatterson@dnr.state.ne.us> Sent: Monday, October 25, 2004 1:07 PM

Subject: Sauvage

- > Have a phone message from Scott Ross of Kansas concerning Sauvage transfer.
- > Kansas went out and surveyed the location of the wells because they thought
- > they were in Kansas. No such luck. Scott wants to talk to us about > it.

I

- > would appreciate someone on the line with me who knows where we want
- > to go with this as it relates to the settlement. Who should be
- > involved.

>

From:

Susan France [sfrance@dnr.state.ne.us]

Sent:

Thursday, November 18, 2004 6:47 AM

To:

Stan Goodwin; Dan Smith; Ann Diers

Subject: FW: Meeting on Savage Feedlot LLC

----Original Message----

From: Ross, Scott [mailto:SROSS@KDA.STATE.KS.US]

Sent: Wednesday, November 17, 2004 5:26 PM

To: Michael K. Ramsey

Cc: Susan France; Rolfs, Lee; Denton, Nila **Subject:** RE: Meeting on Savage Feedlot LLC

Mike,

Let's make it December 16, 2004 1:30 PM Stockton Field Office in Stockton, Kansas.

The field office address is 820 South Walnut

It is near the south end of Stockton, look for a large green sign to give you directions.

Scott

From: Michael K. Ramsey [mailto:ramsey.hmbcr@sbcglobal.net]

Sent: Wednesday, November 17, 2004 9:50 AM

To: Ross, Scott

Subject: Re: Meeting on Savage Feedlot LLC

Scott,

December 16 works for me, but I'll be working out the office on Monday the 13th to Wed the 15th, so you will not be able to communicate with me immediately prior to the meeting. If possible, can we meet in the afternoon? Where?

Mike R.

---- Original Message -----

From: Ross, Scott

To: Rolfs, Lee; Susan France; ramsey.hmbcr@sbcglobal.net

Cc: Denton, Nila

Sent: Monday, November 15, 2004 10:38 AM **Subject:** Meeting on Savage Feedlot LLC

Mike,

I have heard from all other parties and they seem to think December 16th will work for both KS and NE.

Will that work for you?

Scott

Scott E. Ross, L.G.
Water Commissioner, Stockton Field Office
Kansas Department of Agriculture, Division of Water Resources
P.O. Box 192 (820 S. Walnut St.), Stockton, KS. 67669
Phone No. 785-425-6787 FAX: 785-425-6842
e-mail sross@kda.state.ks.us

From: Susan France [sfrance@dnr.state.ne.us]
Sent: Friday, December 17, 2004 7:11 AM

Prod Educator: Page Patterson: App Bld

To: Brad Edgerton; Roger Patterson; Ann Bleed Cc: Brunner; Mike Thompson; Ann Diers

Subject: Sauvage GW Transfer to Kansas

Laurie, Ann and I went yesterday and met with people from Kansas DWR and Sauvage and their attorneys (3). Scott Ross representing Kansas led the meeting. This is a situation where Kansas will have to account for the use of water for Sauvage's feedlot and cattle operation even though the wells are in Nebraska. Water has been used this way for 20 years or so. In the discussions it became apparent that this use is not currently included in Kansas run of the model. I will talk with Mike and Paul to be sure it is not accounted as a Nebraska use on our side. Because there is a moratorium in Kansas, they have told Sauvage that they must file and get an appropriation in Kansas. Yesterday after our meeting they were going to discuss whether Sauvage could obtain a term permit (something like our temporary permit) so that they could continue to operate until some time in the future when they could obtain an actual permit by offsetting the use.

This led to discussions concerning whether the offset could be in Nebraska. There are no nearby wells in the alluvium in Kansas, although there are some five miles or so upstream. However Sauvage itself has existing wells in Nebraska that they acted like they could use to offset. It seems to me that hydrologically that may be to Nebraska's advantage as far as any impairment issues go. The down side would be the economic impact of giving up use in Nebraska and allowing Kansas to benefit from the economic impacts of use in Kansas. However, maybe there are ways to mitigate any economic impacts that are not born by Sauvage. Then the question comes to whether under the settlement agreement you can do the accounting for such a project.

Another question was brought up by Scott. He talked about issuing a joint order. Ann brought up that there probably was no authority for that. I suggested more of a coordinated effort on issuing orders at the same time. I don't think we should go ahead and grant anything until we know that everything is taken care of between us and Kansas. For instance, we don't want to give them the right to withdraw 250 acre-feet per annum and Kansas say they only can use 150 acre-feet. Then we would be granting a permit where no beneficial use can occur.

Dan Smith said MRNRD has not yet discussed allocations for industrial (which includes stock water over 50 gpm I believe he said).

Several things that came out in the meeting that I think we should discuss are:

- 1. Kansas has a rule about how much water confined stock needs and how much water grazed cattle need. Would like to get this at least in policy as it comes up and we have never finalized this. 2. It sounded like Kansas either has a law or a policy or a court case about water being transported into the state that gives them authority to look at it. Seems like this is something we should look at so that we know what water is being used where. 3. When Kansas looks at offsets or transfers in point of diversion it usually says it has to be in same "local area of supply." Scott said this was within a half mile in the same aquifer with no tributaries or rivers in between. However, he said that his understanding of what Dave Pope would allow in this situation was finding an offset in the basin and they are looking at Beaver Creek Basin. When we have transfer applications before us, should we be looking at offsets within the same tributary basin, or as long as the NRD says it is ok, we don't get into that?
- 4. Laurie brought up questions concerning how far we go in looking at impacts in the fully and overappropriated basins and whether the models will be useful on a well by well basis in determining impacts. Do we need to assess possible offsets people are suggesting, or if the NRDs give their ok is that enough.